



# GrowJobsCT

## MANUFACTURING MAKES CT'S FUTURE

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Testimony of John Harrity  
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Supporting Proposed HB 7032

### AN ACT CONCERNING THE RETENTION OF JOBS IN CONNECTICUT AND THE UNITED STATES

Labor and Public Employees Committee  
March 8, 2007

Senator Prague, Representative Ryan, members of the committee: my name is John Harrity. I serve as Director of GrowJobsCT, a coalition of business, labor and community groups, along with elected officials, that focuses on the need to sustain and expand manufacturing jobs in the state of Connecticut.

I am here today to speak in support of **HB 7032, AN ACT CONCERNING THE RETENTION OF JOBS IN COONNECTICUT AND THE UNITED STATES.**

Given the intense focus we have in our state now, especially in the legislature, on encouraging job growth, and also on spending state money wisely, it would seem that this legislation should receive wide-spread support.

This is especially true of Section 1, which would require an accounting of where our money goes. Does it generally stay in-state, in the United States, or are we paying thousands of tax dollars to India, China and other low-wage havens against which we cannot fairly compete? No one knows. That is woefully antiquated for a state that wants to embrace the "Knowledge Economy."

The legislation does include penalties for companies that are awarded a state contract and either fail to report truthfully where they would perform the work, or willfully and intentionally fail to notify the state that they have moved the work out of the United States after winning the contract. The penalties do not include abrogation of the contract.

The alternative would be to permit – in fact, encourage – companies to lie and/or manipulate the system, because their competitors might be. They should not be put in that uncomfortable position, and neither should the State of Connecticut.

Last session, when this bill's predecessor was effectively filibustered in the Senate, it was said that this legislation would "build a wall around Connecticut." This legislation states that the "economic impact" on Connecticut be considered, which is reasonable, and actually, smart state management.

As I understand it, a preference for Connecticut providers is already part of the law (subsection (c) of 4a-59 of the General Statutes); this bill allows that if no Connecticut provider of goods and services is available, the state agency have the right to give preference to US providers of goods and services. That's a pretty large wall, with plenty of room for other states to sell to us.

The fact that giving Connecticut companies a preference is already part of the law indicates that reporting this information is not onerous – since agencies must already get a great deal of that data. It has just not been systematically gathered and analyzed. It's time to do that.

It has been said that this bill and similar ones would raise taxes by requiring the state to purchase goods and services produced by higher-priced US workers. First of all, the language gives preference to work done in this state and this country – **“all other factors being equal.”** This bill gives preference in the case of close, competitive bids. And in that case I suspect that the over-whelming majority of Connecticut taxpayers would say, “Yes, let's support the domestic economy and spend our tax dollars here, even if it cost a little more.”

It has been asked, “What's in it for Connecticut?” The short answer is that a strong domestic economy helps all of us – and a weakening US economy presents a clear danger to this state and all of us who live and work here.

That's not protectionism – that's patriotism. It should be as elemental, as fundamental, to our thinking as “Support Our Troops.” Let's support American workers.

Thank you.